(i) quality and strength of the fill (plug)

(ii) hydrostatic head of drainage water in relation to the designed capacity of the fill.

Production in mini steel plants

4175. SHRI DILIP SINGH JUDEV: Will the Minister of STEEL be pleased to state:

(a) the installed capacity and the annual steel production of mini steel plants in the country during the last three years capacity-wise and State-wise;

(b) whether production of steel by the mini-steel plants is well below their capacity;

(c) if so, the reasons therefor; and

(d) the measures taken/proposed to be taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) Details of State-wise capacity and production of mini steel plants (Electric Arc Furnace units) are given in the Annexure. (*See* Appendix 173, annexure No. 84).

(b) and (c) Production of steel from the Electric Arc Furnace (EAF) units has been below their installed capacity. The performance of this sector has been adversely affected due to various factors such as increase in input costs like power tariffs, steel melting scrap and also technological obsolescence.

(d) Government has reduced the import duty on steel melting scrap from 12.5 per cent to 5% advalorem. In the Budget of 1995-96, import duty on sponge iron has been reduced from 30% to 20 per cent which is expected to reduce the input cost of coast based EAF units. In addition, State Governmetns were advised to consider supplying uninterrupted power to these units at concessional rates.

In addition, Government has set up a "Core Group" to assist units which are interested in drawing up revival strategies.

Import of coin blanks from Italy

4176. SHRI JIBON ROY: Will the Minister of STEEL be pleased to state.

(a) whether it is a fact that Government have decided to import coin blanks from Italy against the new tender opened on 3.10.94;

(b) if so, the amount of foreign exchange out flow due to importing coin blanks per year;

(c) whether it is also a fact that Salem Steel Plant is able to fulfil Government's demand of coin blanks;

(d) if so, the reason of importing coin blanks; and

(e) if not, the installed capacity of Salem Steel Plant per year and Government's demand of coin blanks per year?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) Yes. Sir.

(b) The total anticipated foreign exchange component involved is Italian Lira 12,577,650,000. However, during the financial year 1994-95 no expenditure has been incurred.

(c) and (d) The total requirement of coin blanks is met through various sources, which include own production of coin blanks by the India Government Mints as well as procurement from external sources which inter-alia include supplies made by Salem Steel Plant.

(e) Installed Capacity of the Blanking Line of Salem Steel Plant is 3000 tonnes per annum. The consumption of coin blanks by all the four Mints put together ranges from 1600 to 1800 million pieces.

Representation by South India Iron and Hardware Merchants Association

4177. SHRI S. MADHAVAN: Will the Minister of STEEL be pleased to state:

(a) whether the South India Iron and Hardware Merchants Association has made representation and demanded that the southern region should be treated on par with the other consuming regions in the matter of distribution and supplies; and

(b) if so, the action taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) Yes Sir.

(b) Distribution of iron and steel was deregulated in January, 1992. However, priority continues to be given for supplies to Defence. Railways, exporters of engineering goods, small scale sector and the North-Eastern States. Requirement of other consumers are met by main producers as per their markting policy.

The allocation of steel by Development Commissioner for Iron & Steel to southern region for distribution to small scale industries was increased from 88605 tonnes in 1993-94 to 119567 tonnes in 1994-95.

Supplies of steel to different regions by the main steel producers depends on the advance booking of the customers of the respective regions. No diffrentiation is made in effecting despatch/supplies of iron and steel to different regions.

Visit of the NMDC officers to China

4178. SHRI GHUFRAN AZAM: Will the Minister of STEEL be pleased to state:

(a) whether the team of officers from NMDC Limited had gone to China recently;

(b) whether the official had spent huge resources without any tangible gains;

(c) whether the decision to allow the company such high expenditure was not approved by competent authority; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) to (d) No team of officers from NMDC Limited visited the People's Republic of China recently. However, an Indian Delegation led by Secretary to the Government of India, Ministry of Steel, visited the People's Republic of China from 12th February, 1995 to 17th February, 1995 after due approval of the competent authority. Chairman-cum-Managing Director, National Mineral Development Corporation Limited (NMDC was included as a member of the delegation alongwith Chairman-cum-Managing Director, Kudremukh Iron Ore Company Limited and Vice Chairman, Steel Authority of India Limited (SAIL).

The visit promoted greater understanding between Indian and Chinese sides in the iron & steel sector and also enabled the Indian delegation to discuss the potential for export of medium grade iron ore by NMDC and iron ore pellets by KIOCL to China as well as possibility of import of coking coal from China by SAIL/RINL (Rashtriya Ispat Nigam Ltd.). A Memorandum of Understanding was also signed between the two sides for long term technical co-operation on various aspects of the iron & steel industry.